This Issue of the A. F. of L. Weekly News Service Consists of 2 Pages

The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and sections other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Who overcomes by force, hath overcome but half his foe.—Milton.

WHOLE NO. 1454 — WILLIAM GREEN, President — WASHINGTON, D. C., SATURDAY, FEBRUARY 25, 1939. — FRANK MORRISON, Secretary-Treasurer — VOL. 29, NO. 8

EDITORIALS

Enforcing the Fair Labor Standards Act

Gradually employers throughout the United States are learning that the Fair Labor Standards Act of 1938 means what it says when it stipulates that employers subject to the act shall pay their employees not less than 25 cents an hour and shall limit their employment to 44 hours per week.

Most employers obey the act without unnecessary pressure. Others, however, seem to be unduly intoxicated in their subversive belief that the policy of paying low wages is their private and personal right guaranteed by the Constitution of the United States against which statute law must not prevail.

The Powers Manufacturing Company of Waterloo, Iowa, is evidently one of the concerns which, in its unwarranted opposition to the act, made the error of their illegal low-wage policy and the advisability of obeying the very reasonable wage stipulations imposed upon employers by Federal statute.

Following adequate evidence that the Powers Company was paying its employes less than the 25 cents an hour prescribed by the Fair Labor Standards Act, Elmer F. Andrews, Administrator of the Department of Labor Wage and Hour Division, informed Federal District Judge George C. Scott of the delinquency of the Waterloo company. Judge Scott thereupon issued an injunction permanently restraining the company from paying employees less than 25 cents an hour and from shipping its products in interstate commerce until the legal minimum wage is paid.

Announcing that this was the first permanent injunction restraining an employer from alleged violation of the Fair Labor Standards Act which has been in effect since October 24, 1938, officials of the Wage and Hour Division estimated that the company, which has approximately 175 employes on its payroll, would be required to pay its employes approximately $2,000 in back wages, this amount representing the difference between what the workers got and what they would have gotten under the legal rate of pay under the act since it became effective.

But Who Owns the Increased Output?

Chester C. Davis, a member of the Federal Reserve Board, told the Third Annual Farm Institute, at Des Moines, Iowa, that a general increase in the output of the industrial workers, coupled with profits for employers gauged by volume instead of high prices, would solve the farmers' economic problem. He said that under this plan working men and women would "seek higher income through continuous employment and increased output" rather than through the highest attainable wage for the minimum output."

This is an indirect way of saying that wage earners should work longer hours per day and more days per week, thereby increasing the amount of commodities produced or services rendered ("expanded production") in place of existing wage rates for a definite number of hours work, and then "pick" higher annual wages.

Evidently Mr. Davis was thinking of the Biblical expression, "Seek and ye shall find." Unfortunately Biblical precepts of this Utopian type do not amount to much in determining wages under our present economic system. Usually higher income sought by wage earners is only secured by effective trade union organization where adequate strength exists to enforce it. And a considerable portion of our wage earning population are as yet outside the protective wings of the trade union movement.

Moreover, and this is an important factor which the increased output business interests never mention—all of the commodities produced and the services rendered by the many millions working men, working women and working children in the United States are the private property of individual and corporate employers. This applies, of course, to the increased output which the workers are urged to produce. Such increase would all belong to the employers, and, barring effective trade union organization of their employes, would normally lodge in the pockets of the employers and be distributed in fabor totality next week.

It is therefore appropriate in discussing wages under increased output to keep in the foreground the fact that the employers monopolize the profits increase, that the employers own it all, and that usually employers refuse to permit any of the increase to reach the pay envelopes of their employes without the persuasive element of strong well-disciplined unions typified by those affiliated with the American Federation of Labor.

They Won't Do It

Increasing the purchasing power of low paid wage earners is generally recognized as being one of the fundamental principles in the application of which will bring prosperity. The difficulty of the remedy is that the increase must be provided by the employers in pay envelope contents for their employes. And to the employers manifold is definite elimination to part company with any of their surplus funds for this commendable purpose.

A translation of this question was presented by Secretary of Labor Frances Perkins in an address before the recent Farm Institute at Des Moines, Iowa. She is reported as having said that if the small sum of one dollar a month per worker were added to the incomes of the lowest paid groups in the United States during the next few years, the expenditure of that augmented purchasing power would raise the sale of commodities to levels never attained heretofore.

The remedy offered by Miss Perkins is valid. The only hitch in the program is the persuasion of the employers but most significant words in the English language—"if."

Expressed fairly and simply in more definite phraseology, Miss Perkins evidently meant to say this: If employers would increase wages only one dollar per month per person to workers in the lowest income groups for a number of years, the spending of this increase of one dollar per month would provide a very much larger market for goods. But the employers just won't do it.

Pensions for Oldsters

The political influence of elderly people whose capacity to produce commodities and render effective service in our system of production is still very large but who are barred from employment by those who own and operate industry generally, is evidenced by pension agitation.

This influence was apparent when Senator Charles O. Andrews and Representatives J. Harding Peterson and A. Pat. Cannon, all of Florida, told the House Ways and Means Committee at a hearing on proposed amendments to the Social Security Act that persons past 60 years of age should be guaranteed a comfortable living by means of a $200 a month pension.

Senator Andrews said there was one ghost haunting every elderly person: the question of what would happen to him when he no longer could earn a living. Of course, he said, the Senator was not concerned with the elderly person when employers would no longer permit him to earn a living.

Emphasizing the point that all of those eligible for pensions after 60 had contributed large amounts to support our governmental institutions, Mr. Andrews declared that "there was some kind of justice in giving those who have paid taxes for 40 years and own a part of the richest Government in the world."

Representative Peterson asserted that, despite our large national income, "today the old people probably need help more than at any other period in history." He said the plan for a $200 a month pension would put money in circulation and stimulate business. It might result in some increase in living

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International Labor Office Probes Employers Ban on Elderly Workers

By A. F. of L. Weekly News Service.

Geneva, Switzerland.—The International Labor Office has been instructed by its Governing Body to make a special study of the question of "Discrimination Against Elderly Workers."

Decision to this effect was taken by the Governing Body at its recent session, now being held in Geneva. At the same time, it instructed the Office to submit a list of the fifty-eight Governments having membership in the ILO, copies of the questionnaire sent out the last year, with a view to obtaining from the Governments information, documentation and suggestions, which can be drafted into the new report.

Urging the need for a further study of the question, Robert J. Watt, United States Workers' representative, told the Governing Body that it was of particular interest in the United States where 40 per cent of all gainfully occupied workers are now over forty years of age.

Frederick W. Legget, British Government representative, suggested that the ILO pay special attention to the causes of unemployment among elderly workers, and to possible remedies. He pointed out that his own Government would give all possible assistance to the Office, and expressed the hope that other governments would do likewise.

Evert Kuipers, Netherlands Workers' representative, estimated that in the Netherlands workers' associations in the Netherlands on Oct. 1 last, 177,000 were between the ages of forty and sixty years. He advised the Employers' members of the Governing Body to make an appeal to their groups to support it in the cause of workers over forty.

Leon Jouhaux, French Workers' representative, stressed the need for statistics from all countries showing not only the number of unemployed workers over forty, but the industries from which older workers are most rapidly eliminated.

Joseph Hallsworth, British Workers' representative, discussed the effect of long periods of unemployment upon the skill of elderly workers, and asked that all the countries pool their knowledge in an effort to help find a solution to the problem.

I. L. O. Gains in Social Legislation Benefit the Workers in Many Countries

Seventy Conventions on Matters Affecting Working Men and Women Adopted by Conferences Composed of Representatives of the Workers, Employers and Governments Were Ratified by Member States During 1938, Wilson Says.

By A. F. of L. Weekly News Service.

Washington, D. C.—The wide activities and many achievements of the International Labor Organization of the League of Nations for the benefit of men and women throughout the entire world are stressed in a summary of the work of the Organization during 1938 made public by James Wilson, Director of the I. L. O., through the Washington Branch of the International Labor Office.

Mr. Wilson, who was formerly president of the Pattern Makers League of America and a vice president of the American Federation of Labor, has been labor counselor for the International Labor Office for a number of years, devoting much of his time to acquainting the officials of the American Federation of Labor with the procedure and activities of the I. L. O.

The text of Mr. Wilson's statement follows:

Despite the political crisis, the activity of the International Labor Organization still further increased during the year 1938. Five conferences, in which representatives of fifty nations and many European and overseas Ministers of Labor took part, was one of the best-attended and most interesting which have met at Geneva. The good relations with Governments, employers' and workers' organizations have been kept up and developed through regular and frequent contacts.

Finally, the International Labor Organization has carried on the regular work of research and information in all fields, continuing to study the effects of the new problems everywhere created by the development of industry.

Winant Becomes Director

The year 1938 was marked by the resignation of Mr. Harold Butler, who had occupied the post of Director of the International Labor Office since 1932.

Mr. John Winant, Assistant Director of the Office, was appointed Mr. Butler's successor with, as his Deputy Director, Mr. Edward Phelan, one of the oldest members of the I.L.O., of which the permanent organization he has been from the beginning to the end the guiding spirit. Mr. Winant, who has played an important role in his country, as Governor of the State of New Hampshire and later as Chairman of the Social Security Board, emphasizes to the whole world the active participation of the United States in the Institution.

American Labor Conference Called

The attendance at Geneva of Miss Frances Perkins, Secretary of Labor, at the 1938 Session of the Conference, and the fact that the delegation of the United States has ratified international Labour Conventions to the number of five, including that on hours of work on board ship), also contributes to show the vigorous collaboration of the great Republic of North America.

This collaboration, moreover, has been common for all parts of the American Continent. As industry develops throughout the world, the urgent character of industrial social problems is felt more and more in extra-European countries. It was emphatically demonstrated in a unanimous resolution of the International Labor Conference, which has led to the calling for December, 1939, of a Second Regional Conference of countries of America, to be held at one held at Santiago de Chile in 1936, which Mr. Winant has used. This Second American Labor Conference will be held at Havana on the generous invitation of the Government of Cuba.

Welcomed by Great Britain

In response to the invitation of the British Government, the Governing Body of the I.L.O. met last October in the London. The warm welcome which its members received everywhere in Great Britain, the willing and active participation alike of the British Government, employers and workers, and the unanimously favourable comment in the press of all countries, enhanced the importance of this proof of the attachment of the world's most industrial country, and one of its greatest, to the International Labour Organization. King George himself stressed the significance of the occasion in the speech from the throne on November 4.

Invited to Norway

Then again, the Norwegian Government has invited the Governing Body of the I.L.O. to hold its 1939 autumn session in Oslo. At the present time a delegation of the Governing Body is visiting South Africa on the invitation of the Government of the Union. Coming after the visits of Mr. Butler to Malaya, the Netherlands Indies, Ceylon, India, and Egypt, these facts, in their very geographical diversity, show the interest which the activity of the International Labor Organization arouses in widely-varying regions of the world.

Seventy Conventions Ratified in 1938

This interest is also manifest in the ever-increasing number of ratifications

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A.F.L. Contracts With Hearst's Chicago Newspapers Benefit Editorial Employes

Higher Wages, Longer Vacations, Perpetual Renewal Clause, Arbitration Provision and Recognition of Reference Librarians Included in Agreement Covering Many Workers; A. F. of L. Affiliates Unite in Campaign to Defeat C. I. O. Guild's Scheme to Destroy Both Them and the American and Herald-Examiner.

Chicago, Ill. (AFLWNS).—Two recent developments in the Chicago Hearst field, the A. F. of L. Local 71604, says of the contract:

"We have cracked several precedents set up by the C. I. O. Guild in its past agreements designed to benefit the largest groups of dues payers at the cost of smaller groups.

"We have obtained recognition of the reference room librarians as an integral part of editorial work and have obtained both raises and a better scale for them.

"We have obtained recognition of eight workers' rights to a higher scale.

"We have obtained recognition of the right to a higher scale for employes with five years in the service, for whom may have been deprived of such income boosts in the past through no fault of their own.

"We have established the right of longer vacations for long-time employes where such can be given without additional expense, for the future.

"We have set up a program of arbitration designed to prevent future tendencies to strikes.

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Labor Law Program for North Dakota Outlined by Commissioner Martinson

Fair Labor Standards Act and Labor Relations Act Included In List of Eleven Bills Which State Legislature Will Be Urged to Pass.

By A. F. of L. Weekly News Service.

Bismarck, North Dakota.—An important program of legislation for the benefit of industrial workers in the state of North Dakota is planned by the Labor Commissioner, Hon. Thomas Martinson of Agriculture and Labor in cooperation with the North Dakota Federation of Labor, A. F. of L. affiliate, according to an announcement by H. R. Martinson, Labor Commissioner.

Included among the measures which the Labor Commissioner will sponsor enact is the State Fair Labor Standards Act, approved by the First National Conference on Labor Legislation and distributed by the Division of Labor Standards, U. S. Department of Labor.

Scope of Labor Standards Bill

The State Bill is modeled after the Federal Fair Labor Standards Act of 1938. It is intended to apply the minimum wage, maximum hour and other provisions of the Federal Act to North Dakota industry. The bill covers all workers in the State, whether employed in interstate or intrastate industries, with the exception of agricultural workers, domestic workers in private homes, outside salesmen, those in executive, clerical capacity, and employes of the Federal Government. The bill specifically provides that it applies to high minimum rates only, leaving to collective bargaining the right of wage determination above the established minimum.

Collective Bargaining Protected

In order to give increased statutory effect to the rights of trade unions the bill provides that "Nothing in this Act shall be deemed to interfere with, impede, or in any way diminish the right of employes to bargain collectively through representatives of their own choosing in order to establish wages in collective labor agreements existing on the date of this Act, or to establish hours of work which shall not be less favorable to those employes than the applicable maximu under this Act."

Other labor measures which the Labor Division will urge the State Legislature to enact include:

Provisions of Wage Collection Bill

1. A wage collection law requiring every employer to later than five days after a discharge or lay-off (for more than one week) to pay the wages of such employes in full to the time of such discharge or lay-off; and to employes who quit full wages up to the time of quitting on a date not later

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CLOTHING FIRM BARRED IN SALES TO WAR DEPT.

Eisner Company Charged With Falsifying Time Records to Cover Violations of Walsh-Healey Public Contracts Act.

By A. F. of L. Weekly News Service.

Washington, D. C.—William B. Grogan, examiner of the Public Contracts Division of the Department of Labor, ruled that the Sigmund Eisner Company of Red Bank, N. J., supplier of army uniforms, had falsified certain time cards of employes in order to cover up violations of the Walsh-Healey Public Contracts Act. He recommended that because of this alleged fraud the concern should not receive any government contracts for three years.

The firm, it was ruled, was also indebted to the government for liquidated damages in the sum of $21,934.24. "The company has twenty days in which to file an exception and to appeal to the Secretary of Labor to set aside the decision.

Time Cards Were Fraudulent

In his decision, Mr. Grogan said that the firm had falsified records as to work more than eight hours a day or forty hours a week without payment of overtime rates and had failed to pay the minimum wages of 37½ cents an hour as set by the terms of the act.

According to the decision the company had instructed that the records do not show hours actually worked." The company has a plant at Red Bank, South Amboy, Freehold and Union Beach, N. J.

"It is shown that the employes at each of the plants under investigation from the party in charge at the plant, from time to time were in such a way that the wages earned on a piecework basis divided by the hours of labor punched on the card would show an hourly rate of 37½ cents per hour, regardless of the number of hours actually worked," the examiner stated. "It is also shown that the employes followed these instructions. These facts are admitted by the respondent."

Through J. Lester Eisner, general manager, the company said it did not know the records were being falsified, and he placed the blame for this on the shop supervisors. The examiner said that Mr. Eisner admitted, however, that he had stated in The Red Bank Examiner of June 4, 1937, an article criticizing the firm for failing to pay minimum wages.

"Mr. Eisner has stated that on reading the editorial he took steps to determine the truth of the charges contained therein," the examiner added his inaction by saying that he considered the editorial to be a false and disgruntled editor actuated by malice. The respondent's specific answer is inconceivable that a general manager who had such an interest in labor would be cautious to acquaint himself intimately with employment conditions in his plants would, after reading such editorial, have failed to make an immediate and thorough investigation of the truth of the charges made. Failure to do so can be attributed only to a knowledge of the truth and the facts recited in The Examiner's editorial, or to an utter indifference to the obligations of the respondent under the act."

162 STATIONS TO CARRY UNION LABEL BROADCAST

Washington, D. C. (AFLWNS).—About March 10, approximately 162 radio stations will broadcast a program entitled "The Labor Parade" which is sponsored by the American Federation of Labor. The subject will be a broadcast sketch on the progress of the American labor movement.

I. M. Ornburn, secretary-treasurer of the A. F. of L. Union Label Trades Department, has sent out notices to the secretaries of union label leagues in various cities to ascertain the time of the broadcast and to notify all members of organized labor and their friends to listen in on this program.

A.F.L. DRAFTSMEN'S UNION NAMED BARGAINING AGENT

New York, N. Y. (AFLWNS).—The New York State Labor Relations Board has certified the Guild-Local 66, International Union of Technical Engineers, Architects and Draftsmen's Unions, an A. F. of L. affiliate, as the sole bargaining agent for all the drafting employes at the plant of the Lake Pipe Railing Corp.

The Lake Pipe Railing Corp. was before the State Labor Relations Board when they refused to recognize the Guild-Local 66 as representative of drafting employes. This firm is a member of the Allied Building Metal Industries, the employers association which has constantly fought the union.

Negotiations have been started with the employer for a closed shop agreement.

Mr. Raimist, chairman of the Collective Bargaining and Labor Relations Committee, appeared in behalf of the State Labor Relations Board.

The State Labor Relations Board also certified the Guild-Local 66 as the sole bargaining agent for all the drafting employes at the plant of C. E. Hulbach & Co.

The firm of C. E. Hulbach & Co. was taken before the State Labor Relations Board when they refused to recognize the union as representing their drafting employes. Negotiations are now in progress with the employer for a closed shop agreement.

LAW TO FIX PRICE FOR HAIRCUTS CONSIDERED

Austin, Tex. (AFLWNS).—A bill to allow barbers by agreement of 65 per cent of those employed within a county, to fix prices for haircuts was reported by the House of Representatives and sent to the Senate.

The measure stipulates that no price fixing above 40 cents for a haircut shall be permitted, and permits barbers in towns of 1,000 or less population to charge 25 per cent less than the city price for larger communities in the county.

Provisions that the State barber board could enforce agreements to regulate hours of barber shop operation and prohibit advertising of prices charged were eliminated from the bill.

Evils of Private Police Systems Exposed by La Follette Committee

Senate Civil Liberties Group Holds That These Agencies Are Frequently Used by Employers to Destroy Trade Unions and Pervert Representative Government; Legislation Is Planned to Protect Civil Rights, Restrict Company Police and Prohibit Labor Espionage.

By A. F. of L. Weekly News Service.

The report of the Civil Liberties Committee of the United States Senate on private police systems is a well documented exposure of the activities performed by company police in the employ of the Harlan County Coal Operators Association, of Kentucky, the activities of sheriff's deputies in that county, and the activities of the police force of the Pittsburgh Steel Corporation in its plants in Ohio, New York and Michigan.

The Civil Liberties Committee consists of Senator Robert M. La Follette, Jr., of Wisconsin, chairman, and Senator Elbert D. Thomas, of Utah.

Proceeding under its authority "to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively," the committee, following a thorough inquiry, reached the following general conclusions regarding private police systems:

Civil Rights Abridged

"(a) The situation in Harlan County, Ky., and in the industrial communities where Republic Steel Corporation operates, indicate clearly that where police systems are used as instruments of anti-union policy, they (a) abridge and violate the civil liberties of workers and other individuals; (b) violate the rights of labor guaranteed by Federal statute; (c) result in riots and bloodshed, causing loss of life and injury to persons and property; and (d) endanger the public safety.

Union Organization Prevented

"On the economic front, the use of private police systems as an agency of employers' anti-union policy, causes discrimination in wages and substandards in the free flow of commerce. The ruthless and brutal activities of armed private guards to prevent union organization (a) give unfair competitive advantage to those employers who oppress labor; (b) create bitterness between labor and management; (c) lead to strikes; and (d) cause interruptions in the flow of commerce.

"The use of private deputies in an anti-union campaign is limited to the maintenance of orderly representative

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'Undesirable Aliens'

By A. F. of L. Weekly News Service.

The C. I. O. National Union Council of San Francisco which functions under the supervision of the communist alien Harry Bridges has protested the appointment of Fritz Wiedman as German consul general in San Francisco. In the protest to the State Department Mr. Wiedman is called "an undesirable alien."

The difference in the alien status of Messrs. Wiedman and Bridges is noteworthy. Mr. Wiedman does not profess to be anything but a German diplomat, engaged in the official service of his country. Mr. Bridges, on the other hand, is an Australian who seemingly enjoys his status as an alien. He has earned his livelihood in the United States for nearly twenty years but refuses to become a citizen of the land that feeds him.

Anyone is entitled to lodge which of these two aliens is really "undesirable."

A. F. of L. Wants Walsh-Healey Public Contracts Act Amended

Urges That $10,000 Exemption Be Reduced and That Vessels and Floating Equipment Be Included in Law Applying Labor Standards to Contractors Who Sell Supplies to Federal Government; State Laws Similar to Federal Act Are Recommended.

By A. F. of L. Weekly News Service.

The annual convention of the American Federation of Labor, in Houston, Texas, urged that the Walsh-Healey Act—which makes the eight-hour day and forty-hour week and minimum wages mandatory in the performance of Federal Government contracts for supplies, be amended to include contracts below the $10,000 minimum exempted under the present law and that vessels and floating equipment be brought under the scope of the measure. The convention also recommended enactment of State laws based on the principles of the Federal Act.

The convention noted with approval the report of the A. F. of L. Executive Council that around two million workers have received direct benefits from the Walsh-Healey Act, which now covers all purchases of manufactured products by the Government amounting to $10,000 or more with the exception of perishables, agricultural products and large floating objects such as floating dry docks."

But to bring a larger number of workers under the protective provisions of the Act the convention recommended that "the officers of the American Federation of Labor request the Department promptly affected by having the minimum contract price now provided for by law reduced to a substantially lower amount," and that the Act "be further amended so that all contracts entered into by governmental agencies for the purchase of vessels or large floating objects should come under the prevailing wage provisions of the law."

In addition, the convention recommended that "State federations of labor consider the advisability of having State legislation enacted which would apply the principles of the prevailing wage to State purchases."

In its report to the convention on the administration and beneficial results of the Public Contracts Act, the Executive Council said:

Minimum Wage Applications

"The application of prevailing wage standards has been further expanded during the past year over the year of the past year. Since the inception of the Act, minimum wage determinations have been made by the Secretary of Labor in the following sixteen industries:

"Men's Work Clothing, Cotton Garments and Allied Industries, Leather and Sheep-Lined Jackets, Work Gloves, Knit Outerwear, Hosiery, Underwear, Men's Raincoats, Men's Hats and Caps, Rubber Boots and Shoes, Rubber Work, Dimension Granite, Handkerchief, Envelope, Vitreous and Vitrified China, Logging and Lumber Industry.

"The lowest wage determination fixed by the Secretary of Labor was that in the South in Men's Underwear, and Dimension Granite, the highest wage determination is for 67½ cents an hour in Men's Hat and Cap Industry.

"Since the Act became effective, 9,754 contracts from 11,402 sources subject to the Act were awarded for the purchase of commodities needed by the Government. These were valued at approximately one-half billion dollars ($549,-913,355.53).

Damages Collected for Violations

"In the majority of inspections violations that have been found in the field have been rectified through instructions of the Division of Public Contracts. There have been eighty-six legal hearings for alleged violations and fifty-seven of these were settled without an appeal. Restitutions to the amount of $40,893 have been received

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C. I. O. Again Falsifies Facts Regarding Its Vaunted Membership

Arbitrary Refusal of Marine Engineers High Command to Permit a Referendum Is Continued Affiliation Is Reported as Unanimous Vote In Favor of Lewis's Secessionists.

By A. F. of L. Weekly News Service.

Washington, D. C.—The C. I. O. publicity bureau repeated with such ecstasy that the recent Washington, D. C., convention of the National Marine Engineers Beneficial Association had by unanimous vote decided to retain the C. I. O. affiliation.

Just how "unanimous" the seagoing marine engineers are for C. I. O. affiliation is aptly explained by the following resolution introduced on January 19, 1939, the fourth day's session of the convention:

Resolution No. 29. Jan. 19, 1939.

WHEREAS, the membership has noticed that the recent Washington, D. C., convention of the National Marine Engineers Beneficial Association had by unanimous vote decided to retain the C. I. O. affiliation.

RESOLVED, This 63rd Convention of the National M. E. B. A. go on record in favor of such action and that a referendum ballot on the question "Are you in favor of the C. I. O.?" be a referendum affiliated with the C. I. O."; and be it further

RESOLVED, The members of the National M. E. B. A. be mailed ballots on this question within 30 days after the convention adjourns and the ballots be counted within a period of four months.

Fraternally submitted,

DENNIS CURTIS,
M.E.B.A. No. 41, Portland, Oregon.

On a point of order by Representative Trainor in convention procedure, the Chair ruled the resolution out of order.

From the foregoing it would appear that the only reason the M.E.B.A. is still in affiliation with the C. I. O. is because the expressed desire of the seagoing engineers for a referendum vote upon that question was ruled "out of order."

WHEREAS, I can truthfully say we have found practically no member of the M. E. B. A. objecting at this point during the past year, whether from the East coast, Gulf, or other Pacific reports, who has not voiced opposition to our C. I. O. affiliation when the question was put to him; and

WHEREAS, it is our belief the National M. E. B. A. has just prestige due to its present affiliation with the C. I. O.; and therefore be it

RESOLVED, This 63rd Convention of the National M. E. B. A. go on record in favor of the present Pacific coast referendum ballot on the question "Are you in favor of the C. I. O.?" and be it further

RESOLVED, The members of the National M. E. B. A. be mailed ballots on this question within 30 days after the convention adjourns and the ballots be counted within a period of four months.

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Affiliation with the C. I. O.; and

WHEREAS, M. E. B. A. No. 97 (San Francisco, Calif.). In a recent secret referendum voted by majority against affiliation with the C. I. O.; and

WHEREAS, M. E. B. A. No. 71 (San Pedro, Calif.), by a secret referendum voted overwhelmingly against affiliation with the C. I. O.; and

WHEREAS, M. E. B. A. No. 25 (Boston, Mass.), by a secret referendum voted overwhelmingly against affiliation with the C. I. O.; and

WHEREAS, M. E. B. A. No. 79 (Seattle, Wash.), by a secret referendum voted overwhelmingly against affiliation with the C. I. O.; and

WHEREAS, M. E. B. A. No. 38 (Portland, Ore.), also by a secret referendum ballot voted overwhelmingly against affiliation with the C. I. O.; and

WHEREAS, M. E. B. A. No. 97 (San Francisco, Calif.). In a recent secret referendum voted by majority against affiliation with the C. I. O.; and

TWENTY BILLION DOLLARS ADDED INVESTMENT IN INDUSTRY URGED

A. F. of L. Business Survey Says Constantly Increasing Long-Term Debt by Both the Government and Private Industry for Plant Expansion and Construction of Permanent Improvements "Is Healthy and Normal in a Growing Industrial Country" and Necessary for Increased Production of Commodities and Services and Higher Living Standards for Workers.

By A. F. of L. Weekly News Service.

Washington, D. C.—The tremendous importance of encouraging the owners of billions of dollars of idle money locked up in banks and other financial institutions to invest funds in industry for the purposes of plant expansion, increased production of wealth and the development of higher living standards for millions of American workers was recently stressed in the Monthly Survey of Business published by the American Federation of Labor.

The Survey held that this large increase in private debt could be supplemented by heavy increases in the public debt for building much-needed "low cost housing, schools, recreation centers, roads, hospitals and other services" without unduly enlarging the combined public and private debt, with the provision that the tremendously increased expenditures under the billions of dollars of added investments would be carefully planned by a National Planning Board composed of representatives of "labor, agriculture, consumers' groups, trade and finance."

"In planning to raise living standards we need to consider how the funds lying idle in our banks can best be invested," the Business Survey said.

"There is now available for long-term lending to individuals and institutions which is seeking investment. In addition there are large idle balances in the hands of corporations which would create plant and equipment if warranted by the business outlook. The $2,250,000,000 which could form a base for credit of over $20,000,000,000. By putting these funds to work we should increase the national income which would add still further to the funded debt. The increase in debt which is created to finance investment in industry could be increased enormously without straining our credit structure.

Importance of Durable Goods Investment

"Investment in durable goods has always been necessary to keep the industry to its highest levels. For when workers in industries producing durable goods—buildings, automobiles, roads or materials for these—have their incomes they spend their incomes and automatically lift production in food, clothing and other non-durable goods industries. So we are concerned with investment in durable goods.

"Authorities who have studied American investments in durable goods note the fact that American industry in the last two decades has not needed or used large amounts of new investment comparable to the huge sums which created equipment for the power age.

"Our industrial plant, once built, has been maintained or enlarged and its machinery modernized chiefly out of the profits which firms have ploughed back into their business. Nor has any new industry yet arisen to demand anywhere large amounts of new capital for industrial equipment.

Consumers Capital Expanded

"On the other hand we find that in industrial countries over the entire world the great durable goods investments of the power age are being used for production or consumption of durable goods. Against the investments in factories and machinery, mines, railroads and power lines which made mass production possible, we have today's investments in automobiles, houses, schools, public parks and buildings for consumers' use. The network of roads thrown across the country after 1920 exceeds in mileage the system built after 1840. This expansion from producers' to consumers' capital is typical of the power age, which is indeed the age of the consumer.

Government Investment Stressed

"In democratic countries, much of the investment which has created these durable consumers' goods was made through Government borrowing. The peoples of democratic countries have come to look upon Governments as an increasing extension of the channel for investment in permanent improvements such as low rent housing, schools, recreation centers, roads, hospitals and other services.

"Increasing investment means increasing debt, for large sums of investment, whether in Government work or in industries producing durable goods must be met by borrowing.

Increasing Long-Term Debt Favored

"Increasing long-term debt is healthy and normal in a growing industrial country, for industrial progress is impossible without increasing the investment in equipment for the power age.

"In the United States the total long-term debt (or investment) of private capital people, both Government and private, increased from $38,000,000,000 in 1913-14 to $75,000,000,000 in 1921 and $126,000,000,000 in 1929. Thus long term investment (or debt) increased by more than $6,000,000,000 per year in the 1920's.

"In the depression, from 1932 to 1937, our total long term debt increased by only $2,300,000,000 per year; the increase was almost entirely in Government, not private, debt. Thus it is clear that although we have added nearly $20,000,000,000 to our Federal debt from 1932 to date our borrowing increased less than in the prosperous '20's. We did not however invest enough in permanent long term improvements to keep our industry up to capacity. Our present per capita Federal debt is only half that of Great Britain.

"The Government borrowing power of $40,000,000,000 will be used chiefly to raise the general living standard if its use is carefully planned so as to stimulate private spending, not to produce improvements of real value to the American people. What can be accomplished in a well planned, long-term program differs greatly from temporary 'pump-priming' * * *."

LARGER OLD AGE PENSIONS ASKED BY ORGANIZED LABOR IN BRITAIN

Widows and Orphans Are Also Included in Measure Advocated by English Trade Unionists.

By A. F. of L. Weekly News Service.

London, England.—The urgency for the need of the widespread British organized labor's plan to provide better pensions for the aged and widows and orphans in Great Britain was strikingly illustrated by Arthur Greenwood, Labor Member of Parliament for Nuneaton, during a recent debate in the House of Commons.

Mr. Greenwood pointed out that in the country as a whole large numbers of old people are dependent on a paltry old age pension and compelled to have recourse to the Poor Law, he gave some facts about the position in Monmouthshire and Glamorgan.

Less-Than-Living Pensions Cited

In Monmouthshire, he said, there were 4,362 widowers of 65 and upwards, and 962 widows, whose pensions had to be supplemented from public funds. This latter received a cost of over £100,000 a year, or the equivalent of a rate of 2s. 2d. in the pound.

In the neighbouring county of Glamorgan the position was even worse. In that county there were 5,654 pensioners over 65 was 9,654, and the number of widows was 5,479. The rate inability in respect of public assistance of these people was equivalent to 2s. 6d. in the pound.

Provisions of Labor's Bill

"These two counties," said Mr. Jenkins, "constitute virtually the Distressed Areas of South Wales. What is the use of talking about the relief given under the Special Areas Act, when these people are left with the ratepayers in this way? In these two counties there are more than 20,000 people who have pensions and are dependent on public assistance, and it is high time that the Government took action to save them from trudging to the public assistance office week by week.

"The pension plan commended by Mr. Jenkins will increase the old age pension to £1 a week and make it conditional on retirement from all except casual work with earnings up to about £1 a week.

Married couples, where the husband is 65 or over, and the wife is 55 or over, will receive 35s. a week.

It will also be made possible for people covered by the plan to increase their pensions or to secure payments before 65 if they desire, by additional contributions.

All people of 60 and over who have been out of work for some time and are receiving unemployment assistance will—if the U.A.B. certifies that they are not likely to get work again—receive the pension as if they were 65.

Widows of insured men will be helped to give their children a better chance in life. The present allowance for their children will be increased from 5s. to 7s. 6d. for the first child, and from 3s. to 5s. for each other child. Orphans' allowances will be increased from 7s. 6d. to 10s. a week.

Widows whose husbands died before 1925, and who now lose their pensions when their youngest child left school, will continue to receive their pension.

The pension plan sponsored by British organized labor would mean that the vast majority of workers in Britain will be assured of a decent and comfortable retirement. It would also help to ease the unemployment problem, as the retirement of aged workers would find employment for a large number of younger workers.

The present "National" Government in England has, up to date, refused to adopt the commendable pension measure advocated by the organized labor movement in Great Britain. Labor officials are confident, however, that the strength of the trade unions will be materially increased in the next Parliament.

How the Company Union Is Operated To Deprive Workers of Their Rights

Kansas City Firm Used Espionage on the Union Activities of Its Employes and Engaged the Services of Detective Agencies For That Purpose; Company's Officials Were Active Members of "Citizens' Protective Council" Formed by Employers in the Organization of Workers For Purpose of Collective Bargaining.

By A. F. of L. Weekly News Service.

The National Labor Relations Act prohibits employers from giving financial support to or otherwise promoting company unions.

Despite the provisions of the Act, practically every week brings to light some employers who are evidently determined to continue this unfair labor practice.

A revelation of the continuance of the company union monstrosity was recently revealed by the National Labor Relations Board in connection with the unfair labor practices charges filed against the Kansas City Power and Light Company, in Kansas City, Missouri, to bring to an end a union which it formed and dominated for a number of years in a concerted effort to prevent its employes from organizing and becoming affiliated with the genuine organizations of labor.

The investigation of the complaint against the Power and Light Company the Board discovered that the company had systematically employed espionage on its regular employes. The spies joined organizations of the company's employes in order to report to the company officials with regard to their union membership activities.

As an illustration of the type of opposition which organized labor is compelled to meet in employers who oppose the reasonable provisions of the National Labor Relations Act and make use of detective agencies to hamstring bona fide labor organizations, the case of the Kansas City Power and Light Company is especially instructive.

The company union was called the Association of Employes of the Kansas City Light & Power Company, which the Labor Board found to be "company dominated, and ordered the company to withdraw recognition from it and to disestablish the company-union shop contract made between the company and the Association."

Scope of Board's Order

"The company's contract with the Association was made July 2, 1937, and by its terms 'shall expire,' the Labor Board said. "It provided for a check-off of Association dues. The present shop clause was added November 1, 1937. In March, 1938, a change in it was made with an organization created, supervised and dominated by the employer, and hence invalid on its face. The Board requires that the company reimburse employes for amounts deducted from their wages under the check-off.

"The company is also ordered to end espionage by it and its agents upon its employes and to cease from engaging in the services of detective agencies for that purpose.

"Of the eighteen cases of alleged discriminatory discharge considered at the Kansas City hearing, the Board dismissed the complaint in fourteen and dismissed two to four. The order requires reinstatement of thirteen former employees with back pay and the transference of one to his former position.

"Kansas City Light & Power Company is a Missouri corporation, controlled by the production and distribution of electricity in Kansas City, and has about 1,550 square miles in Missouri and 1,525 square miles in Kansas. Its business in 1938 were $14,808,614.25. It employs approximately 1,700 persons.

Retained Company to Fight Act

"The proposed findings state that the company in 1923 established among its employes a company-dominated employes' organization known as Employes' Representation Plan, which it continued until the spring of 1937. The company admitted that it had contributed financial support to it. After the Supreme Court upheld the constitutionality of the Act, the company stated that it abandoned the Plan and that it played no part in the formation of a new employes' organization known as Association of Employes of Kansas City Power and Light Company, which appeared on the scene immediately thereafter. The proposed findings reject this contention, 'falsa.'

Continued Scheme Despite Labor Act

"The undisputed facts establish that the respondent dominated and interfered with the formation and administration of the Plan and contributed financial support to it.

"The respondent's entire course of the conduct, after it realized in April, 1937, that it could no longer lawfully maintain and support the Employes' Plan, shows that it was the desire and intent of the respondent to frustrate by dissimulation over the organization representing its employes for the purposes of collective bargaining by continuing the Plan, with certain changes, under a new name.

Enrolled Detectives as Employes

"The acts and conduct of the organizers and leaders of the Association confirm this conclusion. After the decisions of the Supreme Court in April, 1937, the respondent did not notify the bulk of its employes that it was abandoning the Plan, but permitted them to understand that it was still continuing. In contrast to the widespread publicity given it gave the establishment of the Plan with slight publicity, it gave to the formation of the Association and the Plan are almost identical."

"The proposed findings state," the Labor Board continued, "that the company employed labor spies from the Ahner Detective Agency and the National Detective Agency. These spies were enrolled as regular employes of the company. They joined various labor organizations of the company and made reports concerning the membership and activities of these bodies.

"The Board finds from evidence at the hearing that in 1934 Lucien C. Forter, Sr., president of the company, was one of the six incorporators of the Kansas City Citizens' Protective Council, Inc., and that two vice presidents of the company, Chester F. Smith and Alex B. Bettis, are members of the Council's Executive Committee. This organization, the Board finds, placed full-page boycott advertisements in Kansas City newspapers and issued bulletins to employers urging them to present a united front against the demands of their employes for the purposes of collective bargaining."

Aided "Citizens Protective Council"

The proposed findings concluded:

"The purpose of the Council was discourage the self-organization of employes in Kansas City and its activities as shown above, was directed toward that end. By its connection with the assistance by the Council, and by its approval of the activities of the Council designed to eliminate unions in Kansas City from organizing for the purposes of collective bargaining and to persuade employers in Kansas City to prevent self-organization by their employes, the respondent has shown that its attitude toward the self-organization of employes is one of aggressive hostility."

BIG HIGHWAY "SUBSIDY" REVEALED BY SURVEY

Group of Engineers Claims Billions of Dollars Have Been Paid by the Public in Taxes to Benefit Trucking Industry.

By A. F. of L. Weekly News Service.

An interesting and evidently instructive element in the controversy between the railroads on the one hand and the railroads in the United States and those engaged in other transport industries is the report of three highway engineers made for the Association of Western Railroads that the industries engaged in highway transportation were subsidized by Federal and State Governments by almost $16,000,000,000 during the 12 years ending in 1932, while the railroad corporations engaged in providing railroad transportation were required to furnish and improve their own roadbeds.

The railroad corporations contend that this relatively free highway for trucking interests enables them to cut transportation rates below the figures which railroads charge for like commodities, but that the people more than make up for this difference by the tremendous amount they are required to pay for the maintenance of public highways.

Reducing the subsidy to an easily comprehensible figure the engineers estimate that the heavier trucks of high tonnage capacity and up are subsidized from 1917 to 1932 to the tune of $4,000 per and succeeding years up to 1937 the annual subsidy amounted to $653,000,000, which the highway transport services failed to pay. In these years automobile share of the cost of keeping up the highways which they should have paid in taxes and gasoline taxes actually paid.

The railroad owners declare that the trucking industry should pay its fair and equitable portion of the cost of building and maintaining the highways that the railroads are required to build and maintain for themselves. If this were done the railroad owners claim that much of their financial difficulty would be liquidated.

LOAN SHARKS ARE AIDED BY TEXAS COURT RULING

Austin, Tex. (AFLWNS).—The difficulties which municipalities in Texas experience in protecting their citizens against loan sharks is reflected in the decision of the State Supreme Court holding unconstitutional an ordinance passed by the Commission Council of the city of Fort Worth. The ordinance provided penalties for those who charge excess interest. The Supreme Court held that the city had exceeded its legal power to provide punishment for those found guilty of charging extortionate interest rates.

PENSIONS HELD NECESSARY BECAUSE OF LOW INCOMES

Washington, D. C. (AFLWNS).—Less than a decent living income for large groups of American citizens does not exist, but does exist a comprehensive system of government. This was the view expressed by Arthur J. Altmeyer, speaking before the House Ways and Means Committee, in favor of the bill to provide $30 a month to persons over 60 years of age.

Declaring that poverty is the birthplace of the American democratic and profit system, he said something must be done to relieve the low-income group of the population where they will derive the benefits from the profit system.

He feared the American form of government would be menaced if we don't establish a higher standard of living for the submerged one-half of our people with $640 a year.

The Ways and Means Committee is now considering bills to broaden the provisions of the Social Security Act.

ICE FIRMS WANT JUDGE TO ENJOIN CLOSED SHOP

Houston, Texas (AFLWNS).—Effective trade union organization is not regarded favorably in Texas. Fourteen ice manufacturers who filed suit in the office of the District Clerk here to enjoin Ice Drivers Union, Local Union No. 509 from enforcing the rule requiring peddlers, who buy ice from manufacturers or any other person, to purchase ice only from firms which have a paid-up working card in the local.

The manufacturers claim that no labor dispute exists between them and purchasers of ice for re-sale are not affected by the union rule. They asserted that the attempt of the union to restrict the purchase of ice from manufacturers to union members is an attempt to set up a "closed shop" system and is an injunction forbidding the union to enforce the rule and further asking declaring.

THOMPSON CAFES SIGN AFL PAY BOOST PACT

New York, N. Y. (AFLWNS).—Local No. 302 of the Cafeteria Employes Union, affiliated with the American Federation of Labor, announced the consolidation of an agreement with the 96 Thompson restaurants providing wage increases of from $1 to $4 a week for employes in the Thompson cafeteria chain. It was stated that about 90 per cent of the 350 workers will share in the increases.

1939 A.F.L. CONVENTION TO MEET IN CINCINNATI

By A. F. of L. Weekly News Service.

In accordance with authority contained in the Constitution of the American Federation of Labor, the Executive Council of the Federation at its recent meeting at Miami, Florida, decided to hold the convention of the A. F. of L. in Cincinnati, Ohio, instead of San Francisco, California, which was voted for the convention city by the 1938 convention.

A.F.L. Contracts With Hearst's Chicago Newspapers Benefit Editorial Employes

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sion and upsets, and the constant peril of wage loss due to unjustified and illegal strikes.

"We believe that our perpetual-renewal clause, which can be eliminated at any time on a year's notice, is the best assurance of receiving justified contractual benefits ever granted to labor contract. It is a Theodore Roosevelt 'big stick' which is ever handy to influence favorable consideration and which we hope never to have to use. No worker wants to strike if he can improve his conditions peacefully.

"We have brought back the editorial department into the A. F. of L. fold, from which it was stolen by C. I. O. plotters on A. F. of L. payrolls, an act committed against the wishes and judgment of the real majority."

Larry Kelly, president of the Chicago Editorial Association, said of the contract:

"The arbitration clause is an important advance. There is also no danger of the present leadership of our union ever forcing the workers out of their jobs without democratic vote of the entire membership and without first having exhausted every effort at peaceful settlement of disputes."

A.F.L. Unions Block C.I.O. Scheme to Control Hearst Papers

Even while the negotiations were going on, another movement was gathering force which was crippling the scheme started by members of the American Federation of Examiner chapel of Chicago Typographical Union No. 16.

Through the chapel, they have been getting more and more incensed with the efforts of the striking Newspaper Guild to put out advertising and hurt circulation. Their experience had taught them that the less business a paper did, the fewer situations it could provide for their members.

On top of that, they were getting more and more angry at being called "scabs" by hired pickets, put on the payroll by the guild for "slow time and hot coffee."

The compositors got up a message, addressed to advertisers and readers, calling attention to the fact that the persons signing were A. F. of L. members, working under union conditions, and promised advertisers in the two papers.

The idea spread. In a short time every department of the two papers clamored for a chance to sign and participate in the message. The hundreds of names, representing every union in the plants, drive of the C. I. O. to destroy their jobs.

to the lies spread by a handful (less than 10%) of Guildsmen, some of whom had been employes less than a year.

C. I. O. Falsehoods Exposed

At the same time, other departments, which had been irked equally as much by the attempts at destruction, began kicking of fighting back. The composing room's chapel angered management by a union decided to join the fight.

Representatives of the old mechanical unions, the younger Newspaper Commercial Association and the Chicago Editorial Association met. They agreed that the line had come to turn the C. I. O. Guild's own weapons to their use.

They decided to start a campaign of their own, addressed to advertisers, to readers, to each and to their fellow A. F. L. unionists in all parts of the country. No lies, no propaganda, no dishonesty, merely statements of fact to expose the treachery and falsity of the C. I. O. Guild's trumped-up job-security strike.

Guild Seeks Destruction of A. F. of L. Unions

The C. I. O.'Guild boasts that it has destroyed or weakened every newspaper with which it has had dispute. Its advantage is carried on even while its members are on the payroll, and it generally avoids looking too closely into the fate of the once-paying newspapers after their jobs vanish. It never even refers to the fate of jobs of composing room, mailers and other A. F. of L. members in the plants.

It must be emphasized here that the fight is not between Hearst and "abused" workers. The publisher pays up to more than $100 a week cannot be classified as underpaid.

Actually, the fight is an effort on the part of the C. I. O. to create a corrective old, established A. F. of L. unions by forcing them within, by taking in paymasters in A. F. of L. departments and setting them up as a weapon in the C. I. O.'s eventual drive to absorb old craft unions and to break them for money in spreading its power over all small-scale and semi-skilled labor.

That is the campaign. A series of letters and bulletins are being sent out to advertisers. Each one is pointed out that 2,374 employes with an annual payroll of $3,000,000, represents a market that no advertiser can ignore.

Meanwhile the Chicago Federation of Labor the union employes of the two newspapers are asking every A. F. of L. member in the city to help stop the

Labor Law Program for North Dakota Outlined by Commissioner Martinson

(Continued from Page 1)

than the next regular pay day and to pay striking employes at the next regular pay day after the strike ends or else in full to the time the employes ceased working.

2. A State, labor relations law applying the principles of the National Labor Relations Act to industries limited to North Dakota.

Mediation of Labor Disputes Planned

3. A mediation and conciliation law designed to encourage the settlement of labor disputes by voluntary and voluntary arbitration and conferring upon the State Department of Agriculture and Labor powers of mediation in connection therewith.

4. A teachers tenure law establishing a probationary period of two years of satisfactory service before any State school board with a provision against discharge of teachers except for causes set forth in the bill. Charges must be in writing and teachers are entitled to be represented by counsel at the hearings.

5. A boiler inspection law creating a department of boiler inspection in the Department of Agriculture and Labor with power to appoint inspectors to inspect boilers, tanks and pressure vessels in use in the State.

Painters-Carpenters Licensing Bill

6. A painters' licensing law providing for the licensing of painters, rules and regulations for examinations, license fees, etc. Legislation covering this subject is approved by organizations of both journeymen painters and masters.

7. A carpenters licensing law based upon examinations to be set by various carpenters unions.

8. Amending the State unemployment insurance law so as to include employes of one or more employers. The present law is limited to employes of eight or more workers in twenty weeks.

9. Extending the powers of the workmen's compensation act to railway employes.

10. Establishment of a safety and health code.

11. Provision for a State safety inspector.

Cooperation of Organized Labor Praised

In announcing the plans of labor legislation to be presented to the State Legislature with the recommendation that it be enacted into law, H. R. Martinson, Commissioner of the Department of Agriculture and Labor, expressed his "earnest appreciation of the support and cooperation accorded the Labor Department during the past two years by Organized Labor of North Dakota," adding:

"With this continued support and cooperation I feel sure we can complete the job of building a Labor Department in North Dakota which will serve the best interests of labor and thereby the best interests of all citizens in North Dakota."

Evils of Private Police Systems Exposed by La Follette Committee

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government. It leads to (a) private usurpation of public authority; (b) corruption of public officials; (c) oppression of large groups of citizens under the domination of the State; and (d) subversion of representative government."

Legislative Recommendations

To remedy these evils the committee made the following legislative recommendations to Congress:

"The functions of private police systems must be restricted to the protection of plant and property.

"Employers using the channels of interstate commerce should not be permitted to spread and perpetuate a system of espionage through the guaranteed by the Federal Constitution and statutes. Where company-controlled police systems cover several States the Congress has the constitutional authority to prevent interference with the right of collective bargaining.

"